



MICHIGAN CHAPTER

May 16, 2014

To: Representative Nesbitt and
members of the House Energy
and Technology Committee

Dear Representative Nesbitt and members of the House Energy and Technology Committee,

The Sierra Club OPPOSES HB 5555 (Nesbitt), a bill which creates a process for companies to expand natural gas infrastructure further into rural areas and to “last mile” customers. The primary reasons for our opposition are:

- The repair and replacement of old and leaking natural gas lines must be prioritized before we invest in building new ones. Michigan currently has around 3,100 miles of old cast-iron natural gas pipelines crisscrossing the state, of which less than 20% have been replaced in the last decade. These old pipelines are considered to be at a much higher risk of rupture or explosion than their newer replacements.
- Spreading the funding for the natural gas pipeline infrastructure expansion across all ratepayers is unfair to urban and suburban ratepayers, who likely would pay for the majority of this investment. Rural utility customers are the only people benefitting from the extension of these pipelines and we should not be socializing these costs onto other ratepayers.

If the bill was amended to require a natural gas efficiency program for all new natural gas customers, the Sierra Club would be no longer oppose this legislation. Coupling this bill with an efficiency program would help new natural gas customers save money and mitigate rising energy costs for all ratepayers.

For these reasons, we urge you to vote NO on HB 5555 or AMEND the bill to include a complimentary energy efficiency program for new natural gas customers. Votes pertaining to this bill will be included on the Sierra Club’s Legislative scorecard.

The Sierra Club SUPPORTS HB 5556 (Townsend) and HB 5557 (Nesbitt), bills which would increase fines, establish local emergency planning/communication networks, and prevent utilities from raising rates to pay for natural gas infrastructure expansion. These bills are a positive step towards making the transportation and use of natural gas safer for citizens and local communities by establishing stricter accountability for utilities when they fail to comply with the law.

For these reasons, we urge you to vote YES on HB 5556 and HB 5557. Votes pertaining to these bills will be included on the Sierra Club’s Legislative scorecard.

Sincerely,

Mike Berkowitz
Legislative Director
Sierra Club Michigan Chapter